

The Federal Flyer

Senate Committee Moves FY 2002 Supplemental Highway Funding for FY 2003 Set at \$27.7 Billion

The Senate Committee on Appropriations on May 22 adopted its version of the FY 2002 supplemental appropriations bill. The \$31 billion measure, which is focused on providing additional funds for Transportation Security Administration and defense needs, also includes a provision to authorize \$4.4 billion more in highway funding than requested in President Bush's

Fiscal Year 2003 budget. This language mirrors the language currently found in the House version of the bill, which the full House was busy debating this week. Both bills would restore highway funding to at least the \$27.7 billion level guaranteed in TEA 21 and would place the \$4.4 billion behind TEA 21's budgetary firewall to guarantee it gets used for highway spending. However, the Senate committee version leaves room for the appropriators to provide funding as high as \$28.9 billion in FY 2003 in accord with the Senate Budget Resolution. The core federal highway program received \$31.8 billion in FY 2002.

As reported in the last issue, the budget committees of both the House and the Senate have expressed support for adding money to President Bush's \$23.3 billion request for the federal-aid highway program. The Senate Budget Committee's resolution would allow the Senate Appropriations Committee to fund the FY 2003 highway program at \$28.9 billion, \$1.2 billion more than the amount guaranteed in TEA 21. The House Budget Committee

included in its resolution additional funding that would raise the program's level to the amount guaranteed in TEA 21 (\$27.7 billion). Although the language serves as a floor for transportation funding, **House Transportation and Infrastructure Committee Chairman Don Young** (R - Alaska) is honoring his agreement to fight to hold the increase to the \$4.4 billion agreed to by House Budget Committee and House leadership. In recent statements President Bush's staff has indicated that Bush will support the spending level established in the House version of the bill.

Texas Impact. If the highway funding restoration language is not enacted, Texas faces the potential loss of \$600 million for planned projects. With the current language, only \$285 million in Texas projects would be delayed in FY 2003. However, if appropriators are allowed to earmark any of the restored funds, the loss to Texas could be increased because Texas is likely to receive less than its fair share of earmarked funds. The best solution for Texas is for Congress to distribute the restored funds to the states according to TEA 21 formulas, thereby guaranteeing Texas its fair share of those funds and minimizing the impact on planned highway projects.

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Authorizers Continue TEA 21 Reauthorization Hearings Efforts Underway to Shape Next Bill

The House Transportation and Infrastructure Committee (T&I) and the Senate Environment and Public Works Committee (EPW) are the two committees with key jurisdiction over federal highway, transit, and highway safety programs. These two authorizing committees have begun a series of hearings on the reauthorization of TEA 21. The hearings held thus far have covered the following issues:

- ♦ Lessons learned and benefits gained from TEA 21;
- ♦ State, Federal, and local perspectives on reauthorization;
- ♦ Highway Trust Fund forecasts, firewall principles, and Revenue Aligned Budget Authority;
- ♦ Streamlining the project review process;
- ♦ Guaranteed funding for mass transit; and
- ♦ Congestion relief through system management, intermodalism, and added capacity.

The EPW Committee plans to hold future hearings throughout the rest of this year, which will focus on operations and security in metropolitan areas, transportation planning and smart growth, innovative finance, transportation and air quality, the state of the infrastructure, freight and intermodal facilities, and rural transportation.

The T&I Committee has not released a full list of future hearings and topics. They plan to announce their hearings a few weeks in advance each time.

Other Committees Also Have a Hand in TEA 21 Reauthorization.

These two committees are not the only authorizers in the TEA 21 reauthorization process. In the Senate, the Banking, Housing, and Urban Affairs Committee has jurisdiction over transit programs. In addition, the Senate Committee on Commerce, Science, and Transportation has oversight and reauthorization jurisdiction over the nation's highway safety and motor carrier safety programs. Finally, the House Ways and Means Committee and the Senate Finance Committee have jurisdiction over the reauthorization of user fees, taxes, and other revenues that support highways, transit,

and safety programs. These committees will also hold TEA 21 reauthorization hearings during the year in preparation for congressional action on the issue in 2003.

Bill Drafting Schedule. The current plan is for the authorizing committees to draft their respective versions of the TEA 21 reauthorization bills this winter, with an anticipated release of those measures early next spring. At the same time, the U.S. Department of Transportation staff is busy putting together the Bush Administration's proposal for TEA 21 reauthorization. They plan to have their recommendations ready for release in late January, in conjunction with the President's budget proposal for FY 2004. In addition, other groups in the transportation community will also spend this year developing reauthorization recommendations. Look for announcements of key proposals later this year and in early 2003 as the TEA 21 reauthorization process begins to take shape.



Environmental Groups Draft Streamlining Proposal Coalition Responds to Push for Legislative Changes

According to the **Bureau of National Affairs**, a coalition of environmental groups has drafted a proposal outlining changes they say will expedite transportation project delivery without sacrificing environmental protection. The group asserts that legislative changes, such as those requested by the transportation industry to strengthen the environmental streamlining provisions of TEA 21, are not necessary. Instead, the proposal claims that state and federal agencies can do a better job of administering current laws by focusing on “sensible planning, early stakeholder involvement, and simply taking advantage of existing programs.”

The proposal specifically calls for

- ♦ Improved transportation planning that integrates existing protections for communities and resources such as public parks, wildlife habitat, and historic sites;
- ♦ Increased public involvement throughout the planning and project review process;
- ♦ Improved coordination, mandating that state transportation departments work with state and federal resource agencies and other parties in developing transportation projects and plans;
- ♦ Proper classification of projects for environmental review; and
- ♦ Consideration of a wide variety of project alternatives - - as well as secondary and cumulative impacts - - in transportation project planning, design, and review.

The coalition includes the American Society of Landscape Architects, Defenders of Wildlife, Environmental Defense, National Wildlife Foundation, National Trust for Historic Preservation, Natural Resources Defense Council, Sierra Club, Smart Growth America, Surface Transportation Policy Project, and Tri-State Transportation Campaign.

The groups plan to share their proposal with federal officials and industry and congressional staff over the next several weeks. Thus far, in comments to USDOT and Congress on environmental streamlining, state transportation officials have stressed the need to begin cooperative efforts on projects early, including a mandate that resource agencies participate in the planning process and indicate any concerns about project impacts early (when they can more effectively be addressed at less cost) rather than at the last minute. In addition, DOTs have called for concurrent environmental reviews by resource agencies and enforceable deadlines for their responses.

The **Federal Flyer** is a publication of the TxDOT Legislative Affairs Office. It is intended to provide up-to-date information on major legislative activities in the 107th Congress for the management of the Texas Department of Transportation, state leaders, and others interested in Texas transportation issues. This report will also feature key activities in the national transportation community. Sources include news services and staff reports.

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